

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2124 - HB 2206

March 27, 2009

SUMMARY OF BILL: Prohibits appellants involved in litigation of public school funding from being granted a stay or injunction against an adverse ruling, pending appeal, if judgments awarded in such cases exceed \$10,000,000.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Judgments exceeding \$10,000,000 would be paid upon the initial ruling of the case, requiring a transfer of funds from one entity to another. In some cases, this may be an increase in expenditures if the funds to be transferred have been earmarked for other purposes in the absence of an adverse ruling.

Assumptions:

- Judgments involving other kinds of suits are not affected by the provisions of this bill.
- Judgments that reaffirm a county or municipality's duty to fund a related school system would be immediately paid.
- Most court cases involving school funding will be questions of returning some amount of funding that has been cut from a local education agency's budget and will be initiated by the LEA against the governing city or county.
- No impact on the BEP formula.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

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